



COUNCIL CHAMBERS

17555 PEAK AVENUE MORGAN HILL CALIFORNIA 95037

COUNCIL MEMBERS	REDEVELOPMENT AGENCY
Steve Tate, Mayor	Steve Tate, Chair
Larry Carr, Mayor Pro Tempore	Larry Carr, Vice-Chair
Mark Grzan, Council Member	Mark Grzan, Agency Member
Marby Lee, Council Member	Marby Lee, Agency Member
Greg Sellers, Council Member	Greg Sellers, Agency Member

WEDNESDAY, MAY 16, 2007

AGENDA

JOINT MEETING

CITY COUNCIL SPECIAL AND REGULAR MEETING

and

REDEVELOPMENT AGENCY REGULAR MEETING

6:45 P.M.

A Special Meeting of the City Council is Called at 6:45 P.M. for the Purpose of Conducting a Closed Session.

Steve Tate, Mayor

CALL TO ORDER

(Mayor/Chairperson Tate)

ROLL CALL ATTENDANCE

(City Clerk/Agency Secretary Torrez)

DECLARATION OF POSTING OF AGENDA

Per Government Code 54954.2

(City Clerk/Agency Secretary Torrez)

6:45 P.M.

City Council Action

CLOSED SESSION:

1.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Authority: Government Code section 54956.9(a)
Case Name: City of Morgan Hill v. Mark Weiss, individually and dba Solara Energy, Inc.
Case Number: County of Santa Clara No. 507-CV-002901
Attendees: City Manager; City Attorney

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

RECONVENE

CLOSED SESSION ANNOUNCEMENT

7:00 P.M.

SILENT INVOCATION

PLEDGE OF ALLEGIANCE

PRESENTATION

Automatic External Defibrillator Donation
Ron Erskine – Desperado Club

PROCLAMATIONS

National Public Works Week
Public Works Director Ashcraft

RECOGNITIONS

CITY COUNCIL REPORTS

Council Member Sellers

CITY COUNCIL COMMITTEE REPORTS

CITY MANAGER'S REPORT

CITY ATTORNEY'S REPORT

OTHER REPORTS

PUBLIC COMMENT

NOW IS THE TIME FOR COMMENTS FROM THE PUBLIC REGARDING ITEMS NOT ON THIS AGENDA.

(See notice attached to the end of this agenda.)

**PUBLIC COMMENTS ON ITEMS APPEARING ON THIS AGENDA WILL BE TAKEN AT THE TIME
THE ITEM IS ADDRESSED BY THE COUNCIL. PLEASE COMPLETE A SPEAKER CARD AND
PRESENT IT TO THE CITY CLERK.**

(See notice attached to the end of this agenda.)

**PLEASE SUBMIT WRITTEN CORRESPONDENCE TO THE CITY CLERK/AGENCY SECRETARY. THE
CITY CLERK/AGENCY SECRETARY WILL FORWARD CORRESPONDENCE TO THE CITY
COUNCIL/REDEVELOPMENT AGENCY.**

City Council and Redevelopment Agency Action

ADOPTION OF AGENDA

City Council Action

CONSENT CALENDAR:

ITEMS 1-14

The Consent Calendar may be acted upon with one motion, a second and the vote, by each respective Agency. The Consent Calendar items are of a routine or generally uncontested nature and may be acted upon with one motion. Pursuant to Section 5.1 of the City Council Rules of Conduct, any member of the Council or public may request to have an item pulled from the Consent Calendar to be acted upon individually.

Time Estimate

Page

Consent Calendar: 1 - 10 Minutes

1. **AUTOMATED EXTERNAL DEFIBRILLATOR DONATION** 1
Recommended Action(s): Accept the Donation of Four Automated External Defibrillators from the Desperado Club.
2. **NEW LIBRARY PROJECT – APRIL CONSTRUCTION PROGRESS REPORT** 7
Recommended Action(s): Information only.
3. **BI-ANNUAL VACANCY RATE SURVEY** 13
Recommended Action(s): Establish the Bi-Annual Vacancy Rate for April 2007 as Recommended by the Planning Commission.
4. **LEASING STRATEGY FOR THE SPACE ADJACENT TO THE POLICE DEPARTMENT** 25
Recommended Action(s): Adopt the Recommended Leasing Strategy.
5. **2006 ANNUAL CONSUMER CONFIDENCE REPORT REGARDING WATER QUALITY** 27
Recommended Action(s): For Council Information only.
6. **FINAL MAP APPROVAL FOR MADRONE PLAZA (TRACT 9896) AT BUTTERFIELD AND JARVIS** 33
Recommended Action(s):
 1. Approve the Final Map, Subdivision Agreement, and Improvement Plans;
 2. Authorize the City Manager to Sign a Subdivision Improvement Agreement on Behalf of the City, Subject to Review and Approval by the City Attorney;
 3. Authorize the City Clerk to Sign the Final Map Authorizing Abandonment of Unused Easements; and
 4. Authorize the Recordation of the Final Map and the Subdivision Improvement Agreement Following Recordation of the Development Improvement Agreement.

	Time Estimate	Page
	Consent Calendar: 1 - 10 Minutes	
7.	<u>TRAFFIC SAFE COMMUNITIES GRANT</u>	37
	<u>Recommended Action(s):</u> <u>Authorize</u> the City Manager to Enter into an Agreement with Santa Clara County for a Traffic Safe Communities Grant.	
8.	<u>PUBLIC WORKS POLICY ON IMPACT FEES FOR COMMERCIAL AND INDUSTRIAL SHELL BUILDINGS</u>	47
	<u>Recommended Action(s):</u> For <u>Information</u> only to Alert the City Council of a Revised Public Works Policy on Calculating Impact Fees for Commercial and Industrial Shell Building Development.	
9.	<u>ACCEPTANCE OF SUPPLEMENTAL IMPROVEMENTS FOR CONSTRUCTION OF LIFT STATION G</u>	51
	<u>Recommended Action(s):</u>	
	1. <u>Adopt</u> the Resolution Accepting the Supplemental Improvements for Construction of Lift Station G Sewer Pump Station; and	
	2. <u>Direct</u> the City Clerk to File a Notice of Completion with the County Recorder's Office.	
10.	<u>AWARD HILL ROAD, GALLANT FOX WAY, THOMAS GRADE AND OAK LEAF COURT SEWER REHABILITATION PROJECT</u>	57
	<u>Recommended Action(s):</u>	
	1. <u>Award</u> Contract to Trinet Construction Inc. for the Construction of the Hill Road, Gallant Fox Way, Thomas Grade and Oak Leaf Court Sewer Rehabilitation Project in the Amount of \$119,400; and	
	2. <u>Authorize</u> Expenditure of Construction Contingency Funds Not to Exceed \$11,940.	
11.	<u>RESIDENTIAL DEVELOPMENT CONTROL SYSTEM (RDSCS) 2007 QUARTERLY REPORT #1</u>	61
	<u>Recommended Action(s):</u> <u>Accept</u> and <u>File</u> the RDSCS First Quarter Report for 2007.	
12.	<u>AWARD OF PROFESSIONAL SERVICES CONTRACT TO PREPARE UNDERGROUNDING UTILITIES DESIGN FOR THIRD STREET UNDERGROUNDING UTILITIES PROJECT</u>	77
	<u>Recommended Action(s):</u>	
	1. <u>Transfer</u> \$39,000 from Current Year RDA Funds (317-8010) to CIP Project #544007, Third Street Undergrounding Utilities Project; and	
	2. <u>Authorize</u> the City Manager to Execute a Consultant Agreement with Giacalone Design Services, Inc. (GDSI) in the Amount of \$39,000 for the Preparation of Undergrounding Utilities Engineering Design for the Third Street Undergrounding Utilities Project; Subject to Review and Approval by the City Attorney.	
13.	<u>SECOND AMENDMENT TO AGREEMENT WITH THE STROMBOTNE LAW FIRM</u>	83
	<u>Recommended Action(s):</u> <u>Authorize</u> the City Manager to Execute a Second Amendment to Agreement with the Strombotne Law Firm.	
14.	<u>APPROVAL OF RESOLUTION PROVIDING COMPENSATION FOR CITY OF MORGAN HILL MANAGEMENT AND CONFIDENTIAL EMPLOYEES</u>	95
	<u>Recommended Action(s):</u> <u>Adopt</u> Management Resolution.	

City Council and Redevelopment Agency Action

CONSENT CALENDAR:

ITEMS 15-16

	Time Estimate		Page
	Consent Calendar: 1 - 10 Minutes		
15.		<u>APPROVE JOINT REGULAR CITY COUNCIL AND REGULAR REDEVELOPMENT AGENCY MEETING MINUTES OF APRIL 25, 2007</u>	107
16.		<u>CITY MANAGER'S PROPOSED FISCAL YEAR 2007-2008 BUDGET AND CAPITAL IMPROVEMENT PROGRAM</u>	121
		<u>Recommended Action(s):</u> <u>Receive</u> the City Manager's Proposed Fiscal Year 2007-2008 Budget and Capital Improvement Program.	

City Council Action

PUBLIC HEARINGS:

	Time Estimate		Page
17.	10 Minutes	<u>ZONING AMENDMENT, ZAA-05-16 AND DEVELOPMENT AGREEMENT, DAA-05-07: WRIGHT AVENUE - MANANA</u>	123
		Public Hearing Opened. Please Limit Your Remarks to 3 Minutes. Public Hearing Closed Council Discussion.	
		Action- <u>Adopt</u> a Mitigated Negative Declaration and Mitigation Monitoring Program.	
		Action- <u>Motion to Waive</u> the Reading in Full of the Zoning Amendment Ordinance.	
		Action- <u>Motion to Introduce</u> the Zoning Amendment Ordinance by Title Only. (Roll Call Vote)	
		Action- <u>Motion to Waive</u> the Reading in Full of the Development Agreement Ordinance.	
		Action- <u>Motion to Introduce</u> the Development Agreement Ordinance by Title Only. (Roll Call Vote)	

City Council and Redevelopment Agency Action

OTHER BUSINESS:

	Time Estimate		Page
18.	10 Minutes	<u>ANNUAL REPORT AND FUNDING REQUEST FROM THE MORGAN HILL DOWNTOWN ASSOCIATION (MHDA)</u>	149
		<u>Recommended Action(s):</u> <u>Accept</u> Annual Report from MHDA and <u>Consider</u> their Request within the City/Agency Budget Approval Process for Fiscal Year 2007-2008.	

City Council Action

OTHER BUSINESS:

	Time Estimate		Page
19.	10 Minutes	<u>FOX HOLLOW/MURPHY SPRINGS LANDSCAPE ASSESSMENT DISTRICT SETTING OF ANNUAL PUBLIC HEARING</u>	159
		<u>Recommended Action(s):</u>	
		1. <u>Approve</u> Resolutions which 1) Initiate the Proceedings for the Levy of Assessments for Fiscal Year 2007-2008; 2) Provide Preliminary Approval of the Engineer's Report and the Proposed Assessment Levy; and 3) Declare the City Council's Intention to Levy the Assessments in the District and to Set the Public Hearing Date for June 20, 2007.	
20.	10 Minutes	<u>STATE SENATE BILL 49: LOCAL GOVERNMENT: FINANCIAL ASSISTANCE: SPORTS FRANCHISES</u>	287
		<u>Recommended Action(s):</u> <u>Accept</u> Senate Bill 49 (Migden) Materials and <u>Discuss</u> Potential Council Action.	
21.	15 Minutes	<u>CHAMBER OF COMMERCE ECONOMIC DEVELOPMENT AND REGIONAL TOURISM MARKETING PLANS</u>	301
		<u>Recommended Action(s):</u> <u>Accept</u> Economic Development and Regional Tourism Proposals from the Morgan Hill Chamber of Commerce's Economic Development Committee Task Force and <u>Consider</u> the Proposals as Part of the Fiscal Year 2007-2008 Budget Approval Process.	
22.	5 Minutes	<u>APPOINTMENTS TO THE SANTA CLARA VALLEY TRANSPORTATION AUTHORITY – POLICY ADVISORY COMMITTEE, AND THE SOUTH COUNTY JOINT PLANNING ADVISORY COMMITTEE</u>	309
		<u>Recommended Action(s):</u> <u>Consider</u> the Mayor's Request to Appoint Primary Representatives to the Santa Clara Valley Transportation Authority – Policy Advisory Committee, and the South County Joint Planning Advisory Committee.	

FUTURE COUNCIL AGENCY-INITIATED AGENDA ITEMS:

Note: in accordance with Government Code Section 54954.2(a), there shall be no discussion, debate and/or action taken on any request other than providing direction to staff to place the matter of business on a future agenda.

Redevelopment Agency Action

CLOSED SESSION:

2.

CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Authority:	Government Code 54956.8
Property:	17440 Monterey Road, APN: 726-14-028
Negotiating Parties:	
For City:	City Manager, Director of Business Assistance & Housing Services, City Attorney
For Property Owners:	Sherman House Associates
Closed Session Topic/Under Negotiation:	Price and Terms of Payment

City Council Action

CLOSED SESSION:

3.

CONFERENCE WITH LEGAL COUNSEL - EXISTING LITIGATION

Authority:	Government Code section 54956.9(a)
Case Name:	Arcadia Development Company v. City of Morgan Hill
Case Number:	County of Santa Clara No. 1-04-CV-020598.
Attendees:	City Manager; City Attorney; Special Counsel

4.

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Authority	Government Code 54957
Public Employee Performance Evaluation:	City Attorney
Attendees:	City Council, City Attorney

5.

PUBLIC EMPLOYEE PERFORMANCE EVALUATION

Authority	Government Code 54957
Public Employee Performance Evaluation:	City Manager
Attendees:	City Council, City Manager

OPPORTUNITY FOR PUBLIC COMMENT

ADJOURN TO CLOSED SESSION

RECONVENE

CLOSED SESSION ANNOUNCEMENT

ADJOURNMENT

PUBLIC COMMENTS ON ITEMS *NOT* APPEARING ON AGENDA

Following the opening of Council/Agency business, the public may present comments on items *NOT* appearing on the agenda that are within the Council's/Agency's jurisdiction. Should your comments require Council/Agency action, your request will be placed on the next appropriate agenda. No Council/Agency discussion or action may be taken until your item appears on a future agenda. You may contact the City Clerk/Agency Secretary for specific time and dates. This procedure is in compliance with the California Public Meeting Law (Brown Act) G.C. 54950.5. Please limit your presentation to three (3) minutes.

PUBLIC COMMENTS ON ITEMS APPEARING ON AGENDA

The Morgan Hill City Council/Redevelopment Agency welcomes comments from all individuals on any agenda item being considered by the City Council/Redevelopment Agency. Please complete a Speaker Card and present it to the City Clerk/Agency Secretary. This will assist the Council/Agency Members in hearing your comments at the appropriate time. Speaker cards are available on the table in the foyer of the Council Chambers. In accordance with Government Code 54953.3 it is not a requirement to fill out a speaker card in order to speak to the Council/Agency. However, it is very helpful to the Council/Agency if speaker cards are submitted. As your name is called by the Mayor/Chairman, please walk to the podium and speak directly into the microphone. Clearly state your name and address and then proceed to comment on the agenda item. In the interest of brevity and timeliness and to ensure the participation of all those desiring an opportunity to speak, comments presented to the City Council/Agency Commission are limited to three minutes. We appreciate your cooperation.

NOTICE

AMERICANS WITH DISABILITIES ACT (ADA)

The City of Morgan Hill complies with the Americans with Disability Act (ADA) and will provide reasonable accommodation to individuals with disabilities to ensure equal access to all facilities, programs and services offered by the City. If you need special assistance to access the meeting room or to otherwise participate at this meeting, including auxiliary aids or services, please contact the Office of the City Clerk/Agency Secretary at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation. Please make your request at least 48 hours prior to the meeting to enable staff to implement reasonable arrangements to assure accessibility to the meeting.

If assistance is needed regarding any item appearing on the City Council/Agency Commission agenda, please contact the Office of the City Clerk/Agency Secretary at City Hall, 17555 Peak Avenue or call 779-7259 or (Hearing Impaired only - TDD 776-7381) to request accommodation.

NOTICE

Notice is given, pursuant to Government Code Section 65009, that any challenge of Public Hearing Agenda items in court, may be limited to raising only those issues raised by you or on your behalf at the Public Hearing described in this notice, or in written correspondence delivered to the City Council/Agency Commission at, or prior to the Public Hearing on these matters.

NOTICE

The time within which judicial review must be sought of the action by the City Council/Agency Commission which acted upon any matter appearing on this agenda is governed by the provisions of Section 1094.6 of the California Code of Civil Procedure.